GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

UNSTARRED QUESTION NO:502
ANSWERED ON:09.12.2013
DEVELOPMENT OF INFRASTRUCTURE IN COASTLINE
Rane Dr. Nilesh Narayan

Will the Minister of SHIPPING be pleased to state:

(a) Whether India`s infrastructure clogs is choking growth opportunities in Ports along the coast line restraining the US and other countries from developing commercial ties with India;

(b) If so, the reaction of the Government thereto;

(c) Whether Coastal Shipping, which also accounts for 40 percent of trade volume in US, China and Europe, is only seven percent of India`s total domestic cargo transport network:

(d) If so the reason therefor;

(e) Whether the Government has taken any intiative to develop infrastructure around Indian coastline to boost trade: and

(f) If so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF SHIPPING (SHR1 G.K. VASAN)

(a) No, Madam.

(b) Docs not arise.

(C) Yes, Madam.

(d) The Coastal Ships perceive lack of capital. Bunker cost and infrastructure gaps as hindrances to optimizing domestic shipping transport.

(e)& (f) To promote coastal shipping in the country, the Government has exempted ships and vessels from excise duty and removed countervailing duty (CVD) on important ships and vessels. This will augment the fleet capacity of Indian flag ships including coastal ships. Besides, in the 12 Five Year Plan, and allocation of 300 crore is made for promoting coastal shipping.